

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 141264

46

ORIGIN XMB-04

INFO OCT-01 EUR-12 EA-06 ISO-00 EB-07 COME-00 TRSE-00

CIAE-00 INR-07 NSAE-00 /037 R

09

DRAFTED BY:XMB:C.A. LEIK/RCL

APPROVED BY:EB/OCA/CM:LAKLIEFORTH

XMB:RAYMOND J ALBRIGHT

XMB;WARREN W GLICK

EB/IFD/ODF:RASWART

EB/EWT:RPRACHT-INFO

EUR/EE:DMILLER INFO

----- 069474

R 171418Z JUN 75

FM SECSTATE WASHDC

TO AMEMBASSY WARSAW

INFO AMEMBASSY LONDON

AMEMBASSY TOKYO

LIMITED OFFICIAL USE STATE 141264

E.O. 11652: N/A

TAGS: EGEN

SUBJECT: 50,000 TON FOUNDRY (CONTRACT PRICE DOLS 90,000,000)

AND DIE FORGE (CONTRACT PRICE DOLS 110,000,000)

REF: STATE 103636, STATE 108720, WARSAW 3228

1. EMBASSY IS AWARE (REFTELS) OF RELATED POLISH PROJECTS FOR A  
FOUNDRY AND FORGE AT HUTA STALOWA WOLA. EXIMBANK HAS BEEN ADVISED THA  
T

U.K. SUPPLIERS ARE OFFERING WITH ECGD SUPPORT A CREDIT PACKAGE WHICH  
INCLUDES 85 PERCENT COVERAGE AT 6.5 PERCENT INTEREST FOR ENTIRE  
PROJECT OF FOUNDRY AND FORGE. HOWEVER, PRELIMINARY CHECKING LEAVES  
SOME DOUBT WHETHER THE U.K. OFFER COVERS BOTH PLANTS OR ONLY THE FORG  
E.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 141264

2. EIB HAS APPROVED A PRELIMINARY COMMITMENT ON THE FOUNDRY FOR A

45 PERCENT CREDIT AT 8 PERCENT WITH TEN-YEAR REPAYMENT TERMS AFTER START-UP. THE FORGE IS UNDER CONSIDERATION. BOTH APPLICATIONS INVOLVE SWINDELL-DRESSLER AS THE SUPPLIER. ONE ECGD REPORT STATES THAT IT IS CONSIDERING A 85 PERCENT CREDIT FOR THE FORGE ON REPAYMENT TERMS SIMILAR TO OURS WITH A MINIMUM INTEREST RATE OF 8 PERCENT. NO MENTION WAS MADE OF THE FOUNDRY AND WE ARE ATTEMPTING TO CLARIFY THEIR SUPPORT IF ANY OF THIS EQUIPMENT. THE JAPANESE EXIMBANK REFERS ONLY TO THE FOUNDRY AND MENTIONS EIGHT-TEN YEAR TERMS AS PROBABLE. WE HAVE BEEN UNDER THE IMPRESSION THAT THE TWO CONTRACTS WOULD BE AWARDED SEPARATELY WITH THE FOUNDRY TO BE FIRST. RECENT INFORMATION CITED ABOVE FOR THESE PROJECTS IS CONFUSING AND WE HAVE REQUESTED A CLARIFICATION FROM HANDLOBANK.

3. REQUEST EMBASSY CONTACT VICE PRESIDENT WOLOSZYN AT FOREIGN TRADE BANK TO ASCERTAIN IF CONTRACTS ARE TO BE LET SEPARATELY OR SIMULTANEOUSLY. WOULD APPRECIATE ALSO ANY INFORMATION WHICH CAN BE OBTAINED ON U.K. CREDIT OFFER.

4. ANY ADDITIONAL COMMENTS AND OBSERVATIONS WHICH WILL ASSIST EXIM IN PROVIDING SWINDELL-DRESSLER WITH COMPETITIVE FINANCING WILL BE APPRECIATED. IF U.K. IS IN FACT OFFERING REPORTED CONCESSIONARY CREDIT, EXIM IS PREPARED TO PRESENT ITS BEST POSSIBLE SUPPORT AND EXIM HAS SO ADVISED ECGD.  
KISSINGER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** SmithRJ  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE141264  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** XMB:C.A. LEIK/RCL  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750210-1108  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750642/aaaabmcx.tel  
**Line Count:** 86  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 103636, 75 STATE 108720, 75 WARSAW 3228  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** SmithRJ  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 JUN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 JUN 2003 by izenbei0>; APPROVED <21 OCT 2003 by SmithRJ>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 50,000 TON FOUNDRY (CONTRACT PRICE DOLS 90,000,000) AND DIE FORGE (CONTRACT PRICE DOLS 110,000,000)  
**TAGS:** BEXP, PL  
**To:** WARSAW  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006